

ASSEMBLY BILL

No. 417

Introduced by Assembly Member Beall

February 23, 2009

An act to amend, repeal, and add Section 11758.46 of the Health and Safety Code, relating to Medi-Cal.

LEGISLATIVE COUNSEL'S DIGEST

AB 417, as introduced, Beall. Medi-Cal Drug Treatment Program: buprenorphine.

Existing law provides for the Medi-Cal program, which is administered by the State Department of Health Care Services and under which qualified low-income persons receive health care benefits. The Medi-Cal program is, in part, governed and funded by federal Medicaid provisions.

Existing law provides for the Medi-Cal Drug Treatment Program (Drug Medi-Cal), under which each county enters into contracts with the State Department of Alcohol and Drug Programs for the provision of various drug treatment services to Medi-Cal recipients, or the department directly arranges for the provision of these services if a county elects not to do so.

This bill, commencing January 1, 2012, would add buprenorphine services to the list of Drug Medi-Cal services, but only if buprenorphine is prescribed by a physician who complies with federal requirements regarding qualifications, certification, and limitations on the number of patients for whom the physician may prescribe buprenorphine.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. Section 11758.46 of the Health and Safety Code is amended to read:

11758.46. (a) For purposes of this section, “Drug Medi-Cal services” means all of the following services, administered by the department, and to the extent consistent with state and federal law:

(1) Narcotic treatment program services, as set forth in Section 11758.42.

(2) Day care rehabilitative services.

(3) Perinatal residential services for pregnant women and women in the postpartum period.

(4) Naltrexone services.

(5) Outpatient drug-free services.

(b) Upon federal approval of a federal Medicaid state plan amendment authorizing federal financial participation in the following services, and subject to appropriation of funds, “Drug Medi-Cal services” shall also include the following services, administered by the department, and to the extent consistent with state and federal law:

(1) Notwithstanding subdivision (a) of Section 14132.90 of the Welfare and Institutions Code, day care habilitative services, which, for purposes of this paragraph, are outpatient counseling and rehabilitation services provided to persons with alcohol or other drug abuse diagnoses.

(2) Case management services, including supportive services to assist persons with alcohol or other drug abuse diagnoses in gaining access to medical, social, educational, and other needed services.

(3) Aftercare services.

(c) (1) Annually, the department shall publish procedures for contracting for Drug Medi-Cal services with certified providers and for claiming payments, including procedures and specifications for electronic data submission for services rendered.

(2) The department, county alcohol and drug program administrators, and alcohol and drug service providers shall automate the claiming process and the process for the submission of specific data required in connection with reimbursement for Drug Medi-Cal services, except that this requirement applies only

1 if funding is available from sources other than those made available
2 for treatment or other services.

3 (d) A county or a contractor for the provision of Drug Medi-Cal
4 services shall notify the department, within 30 days of the receipt
5 of the county allocation, of its intent to contract, as a component
6 of the single state-county contract, and provide certified services
7 pursuant to Section 11758.42, for the proposed budget year. The
8 notification shall include an accurate and complete budget proposal,
9 the structure of which shall be mutually agreed to by county alcohol
10 and drug program administrators and the department, in the format
11 provided by the department, for specific services, for a specific
12 time period, and including estimated units of service, estimated
13 rate per unit consistent with law and regulations, and total estimated
14 cost for appropriate services.

15 (e) (1) Within 30 days of receipt of the proposal described in
16 subdivision (d), the department shall provide, to counties and
17 contractors proposing to provide Drug Medi-Cal services in the
18 proposed budget year, a proposed multiple-year contract, as a
19 component of the single state-county contract, for these services,
20 a current utilization control plan, and appropriate administrative
21 procedures.

22 (2) A county contracting for alcohol and drug services shall
23 receive a single state-county contract for the net negotiated amount
24 and Drug Medi-Cal services.

25 (3) Contractors contracting for Drug Medi-Cal services shall
26 receive a Drug Medi-Cal contract.

27 (f) (1) Upon receipt of a contract proposal pursuant to
28 subdivision (d), a county and a contractor seeking to provide
29 reimbursable Drug Medi-Cal services and the department may
30 begin negotiations and the process for contract approval.

31 (2) If a county does not approve a contract by July 1 of the
32 appropriate fiscal year, in accordance with subdivisions (c) to (e),
33 inclusive, the county shall have 30 additional days in which to
34 approve a contract. If the county has not approved the contract by
35 the end of that 30-day period, the department shall contract directly
36 for services within 30 days.

37 (3) Counties shall negotiate contracts only with providers
38 certified to provide reimbursable Drug Medi-Cal services and that
39 elect to participate in this program. Upon contract approval by the
40 department, a county shall establish approved contracts with

1 certified providers within 30 days following enactment of the
2 annual Budget Act. A county may establish contract provisions to
3 ensure interim funding pending the execution of final contracts,
4 multiple-year contracts pending final annual approval by the
5 department, and, to the extent allowable under the annual Budget
6 Act, other procedures to ensure timely payment for services.

7 (g) (1) For counties and contractors providing Drug Medi-Cal
8 services, pursuant to approved contracts, and that have accurate
9 and complete claims, reimbursement for services from state General
10 Fund moneys shall commence no later than 45 days following the
11 enactment of the annual Budget Act for the appropriate state fiscal
12 year.

13 (2) For counties and contractors providing Drug Medi-Cal
14 services, pursuant to approved contracts, and that have accurate
15 and complete claims, reimbursement for services from federal
16 Medicaid funds shall commence no later than 45 days following
17 the enactment of the annual Budget Act for the appropriate state
18 fiscal year.

19 (3) The State Department of Health Care Services and the
20 department shall develop methods to ensure timely payment of
21 Drug Medi-Cal claims.

22 (4) The State Department of Health Care Services, in
23 cooperation with the department, shall take steps necessary to
24 streamline the billing system for reimbursable Drug Medi-Cal
25 services, to assist the department in meeting the billing provisions
26 set forth in this subdivision.

27 (h) The department shall submit a proposed interagency
28 agreement to the State Department of Health Care Services by
29 May 1 for the following fiscal year. Review and interim approval
30 of all contractual and programmatic requirements, except final
31 fiscal estimates, shall be completed by the State Department of
32 Health Care Services by July 1. The interagency agreement shall
33 not take effect until the annual Budget Act is enacted and fiscal
34 estimates are approved by the State Department of Health Care
35 Services. Final approval shall be completed within 45 days of
36 enactment of the Budget Act.

37 (i) (1) A county or a provider certified to provide reimbursable
38 Drug Medi-Cal services, that is contracting with the department,
39 shall estimate the cost of those services by April 1 of the fiscal

1 year covered by the contract, and shall amend current contracts,
2 as necessary, by the following July 1.

3 (2) A county or a provider, except for a provider to whom
4 subdivision (j) applies, shall submit accurate and complete cost
5 reports for the previous state fiscal year by November 1, following
6 the end of the state fiscal year. The department may settle cost for
7 Drug Medi-Cal services, based on the cost report as the final
8 amendment to the approved single state-county contract.

9 (j) Certified narcotic treatment program providers, that are
10 exclusively billing the state or the county for services rendered to
11 persons subject to Section 1210.1 of the Penal Code, Section
12 3063.1 of the Penal Code, or Section 11758.42 shall submit
13 accurate and complete performance reports for the previous state
14 fiscal year by November 1 following the end of that state fiscal
15 year. A provider to which this subdivision applies shall estimate
16 its budgets using the uniform state daily reimbursement rate. The
17 format and content of the performance reports shall be mutually
18 agreed to by the department, the County Alcohol and Drug Program
19 Administrators Association of California, and representatives of
20 the treatment providers.

21 *(k) This section shall remain in effect only until January 1, 2012,*
22 *and as of that date is repealed, unless a later enacted statute, that*
23 *is enacted before January 1, 2012, deletes or extends that date.*

24 SEC. 2. Section 11758.46 is added to the Health and Safety
25 Code, to read:

26 11758.46. (a) For purposes of this section, “Drug Medi-Cal
27 services” means all of the following services, administered by the
28 department, and to the extent consistent with state and federal law:

29 (1) Narcotic treatment program services, as set forth in Section
30 11758.42.

31 (2) Day care rehabilitative services.

32 (3) Perinatal residential services for pregnant women and women
33 in the postpartum period.

34 (4) Naltrexone services.

35 (5) Outpatient drug-free services.

36 (6) Buprenorphine services, but only if buprenorphine is
37 prescribed by a physician who complies with federal requirements
38 regarding qualifications, certification, and limitations on the
39 number of patients for whom the physician may prescribe
40 buprenorphine.

(b) Upon federal approval of a federal Medicaid state plan amendment authorizing federal financial participation in the following services, and subject to appropriation of funds, “Drug Medi-Cal services” shall also include the following services, administered by the department, and to the extent consistent with state and federal law:

(1) Notwithstanding subdivision (a) of Section 14132.90 of the Welfare and Institutions Code, day care habilitative services, which, for purposes of this paragraph, are outpatient counseling and rehabilitation services provided to persons with alcohol or other drug abuse diagnoses.

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(c) (1) Annually, the department shall publish procedures for contracting for Drug Medi-Cal services with certified providers and for claiming payments, including procedures and specifications for electronic data submission for services rendered.

(2) The department, county alcohol and drug program administrators, and alcohol and drug service providers shall automate the claiming process and the process for the submission of specific data required in connection with reimbursement for Drug Medi-Cal services, except that this requirement applies only if funding is available from sources other than those made available for treatment or other services.

(d) A county or a contractor for the provision of Drug Medi-Cal services shall notify the department, within 30 days of the receipt of the county allocation, of its intent to contract, as a component of the single state-county contract, and provide certified services pursuant to Section 11758.42, for the proposed budget year. The notification shall include an accurate and complete budget proposal, the structure of which shall be mutually agreed to by county alcohol and drug program administrators and the department, in the format provided by the department, for specific services, for a specific time period, and including estimated units of service, estimated rate per unit consistent with law and regulations, and total estimated cost for appropriate services.

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2 subdivision (d), the department shall provide, to counties and
3 contractors proposing to provide Drug Medi-Cal services in the
4 proposed budget year, a proposed multiple-year contract, as a
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18 appropriate fiscal year, in accordance with subdivisions (c) to (e),
19 inclusive, the county shall have 30 additional days in which to
20 approve a contract. If the county has not approved the contract by
21 the end of that 30-day period, the department shall contract directly
22 for services within 30 days.

23 (3) Counties shall negotiate contracts only with providers
24 certified to provide reimbursable Drug Medi-Cal services and that
25 elect to participate in this program. Upon contract approval by the
26 department, a county shall establish approved contracts with
27 certified providers within 30 days following enactment of the
28 annual Budget Act. A county may establish contract provisions to
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30 multiple-year contracts pending final annual approval by the
31 department, and, to the extent allowable under the annual Budget
32 Act, other procedures to ensure timely payment for services.

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35 and complete claims, reimbursement for services from state General
36 Fund moneys shall commence no later than 45 days following the
37 enactment of the annual Budget Act for the appropriate state fiscal
38 year.

39 (2) For counties and contractors providing Drug Medi-Cal
40 services, pursuant to approved contracts, and that have accurate

1 and complete claims, reimbursement for services from federal
2 Medicaid funds shall commence no later than 45 days following
3 the enactment of the annual Budget Act for the appropriate state
4 fiscal year.

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7 Drug Medi-Cal claims.

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1 its budgets using the uniform state daily reimbursement rate. The
2 format and content of the performance reports shall be mutually
3 agreed to by the department, the County Alcohol and Drug Program
4 Administrators Association of California, and representatives of
5 the treatment providers.

6 (k) This section shall become operative on January 1, 2012.

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